

Message Text

PAGE 01 STATE 148604

61
ORIGIN AID-05

INFO OCT-01 IO-10 AGR-10 EB-07 AF-06 ARA-10 EA-10 EUR-12

NEA-10 COME-00 ISO-00 TRSE-00 OIC-02 /083 R

DRAFTED BY AID/PPC/DPRE:RBERG:DKS

APPROVED BY IO:RDMOREY

IO/AGR:DMDAUGHERTY

EB/ORF:CBILLO

USDA/ERS:RREIDINGER

----- 033440

O 242241Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY ROME IMMEDIATE

UNCLAS STATE 148604

FODAG

E.O. 11652: N/A

TAGS: UNWFC, OCON, EAGR

SUBJECT: WORLD FOOD COUNCIL: AGENDA ITEM 6(D) -
FERTILIZERS

REF: ROME 8989

1. FOLLOWING TO BE PASSED BOUGHTON AND OTHER MEMBERS U.S.
DELEGATION ASAP.

2. IN VIEW BRIEF TIME AVAILABLE AND URGENCY OF REQUEST,
FOLLOWING U.S. POSITION PHRASED AS TALKING POINTS TO BE
USED BY DELEGATION:

(A) GIVEN THE SPECIFIC ROLE OF THE FAO COMMISSION ON
FERTILIZERS IN THIS FIELD AND THE FACT THAT IT COMPLETED
ITS WORK ONLY A LITTLE OVER TWO WEEKS AGO, WE BELIEVE
THAT THE COUNCIL WOULD BE REMISS IF IT FAILED, IN ITS
UNCLASSIFIED

PAGE 02 STATE 148604

DELIBERATIONS, TO TAKE INTO ACCOUNT THE REPORT OF THE
COMMISSION. WE THEREFORE STRONGLY URGE THAT THE RECOM-
MENDATIONS OF THE COMMISSION BE INTRODUCED BY THE SECRE-
TARIAT AND THAT THESE CONCLUSIONS HAVE A HIGH PLACE IN

THE COUNCIL'S CONSIDERATIONS. FERTILIZER IS FAR TOO
IMPORTANT A SUBJECT NOT TO HAVE CURRENT AND EXPERT
OPINION BEFORE US AT ALL TIMES. IN OUR VIEW, IT IS NOT

ONLY IMPERATIVE TO HAVE THE LATEST AND MOST ACCURATE
INFORMATION AT OUR DISPOSAL, BUT ALSO TO AVOID WASTEFUL
DUPLICATION OF EFFORT BY THE COUNCIL WHEN IT HAS SUCH A
FULL AGENDA.

(B) NOTWITHSTANDING OUR VIEW THAT THE REPORT OF THE FAO
COMMISSION SUPERSEDES THE RECOMMENDATIONS CONTAINED IN
WFC/8, U.S. WELCOMES OPPORTUNITY REVIEW IN THIS FORUM
CURRENT WORLD FERTILIZER SITUATION AND THE PROPOSALS FOR
ACTION CONTAINED IN COUNCIL DOCUMENT WFC/8. WE NOTE
THAT WFC/8 WAS DRAFTED IN MID-MAY AND HENCE COULD NOT
BENEFIT FROM THE 46-NATION MEETING OF THE FAO COMMISSION
ON FERTILIZERS HELD JUNE 3-6 IN ROME WHICH DISCUSSED
SUBSTANTIALLY THE SAME ISSUES. THE U.S. PARTICIPATED IN
THE COMMISSION ON FERTILIZERS MEETING AND THE POSITION
WE ENUNCiate TODAY IS CONSISTENT WITH THE CONSENSUS
PRESENTED IN THE REPORT OF THE COMMISSION, A REPORT WHICH
WE HOPE WILL BE MADE AVAILABLE TO ALL DELEGATIONS AS
MENTIONED ON PAGE 8 OF THE COUNCIL DOCUMENT.

(C) WE AGREE WITH THE THRUST OF RECOMMENDATION 1 OF
WFC/8 THAT BILATERAL AND MULTILATERAL ASSISTANCE SHOULD
BE AVAILABLE TO HELP MSA COUNTRIES MEET THEIR FERTILIZER
NEEDS IN 1975/76, BUT THE MAGNITUDE OF THE GAP WAS BY NO
MEANS CLEARLY DEFINED AT THE COMMISSION ON FERTILIZERS
MEETING A FEW WEEKS AGO. AT THAT MEETING A FINANCIAL
GAP FOR BILATERAL AND MULTILATERAL ASSISTANCE OF ABOUT
\$400 MILLION WAS IDENTIFIED (AS POSSIBLY COMPARED WITH
A FINANCIAL GAP OF \$1.11 BILLION IN WFC/8) AND THIS WAS
BASED ON STILL RAPIDLY CHANGING MARKET CONDITIONS,
INCLUDING FALLING PRICES AND INVENTORY BUILDUPS IN SOME
IMPORTANT MSA'S. WHILE THE U.S. AGREES THAT ASSISTANCE
IS NEEDED (WITNESS FACT THAT WE PROVIDED ABOUT \$180
UNCLASSIFIED

PAGE 03 STATE 148604

MILLION FOR FERTILIZER PROCUREMENT LAST YEAR AND PLAN A
SIZEABLE PROGRAM THIS YEAR) WE WOULD HOPE THAT OFFICIAL
GAP FIGURES CAN BE AVOIDED UNLESS BASED ON MORE RECENT
MARKET INFORMATION AND DONOR PLANS.

(D) REGARDING RECOMMENDATION 2 IN WFC/8, THE U.S. AGREES
WITH THE FAO FERTILIZER COMMISSION THAT IT IS BEST NOT
TO SET A TARGET FOR THE INTERNATIONAL FERTILIZER
SUPPLY SCHEME IN VIEW OF CHANGING MARKET CONDITIONS,
SIZEABLE BILATERAL PLANS AIMED AT MSA COUNTRIES (IN-
CLUDING OUR OWN) AND A DESIRE TO SET TARGETS WHICH CAN
REALISTICALLY BE EXPECTED TO BE ACHIEVED. WHILE WE WISH
TO REITERATE OUR PLEDGE OF CONTINUED CLOSE COOPERATION

WITH THE SCHEME AND THE ENDORSEMENT BY THE COMMISSION ON FERTILIZERS FOR CONTINUED ACTIVITY BY THE SCHEME FOR ANOTHER YEAR, WE WOULD POINT OUT THAT THE EXPERTS

ATTENDING THE RECENT MEETING OF THE COMMISSION ON FERTILIZERS CHOSE TO AVOID A FORMAL RESOURCE TARGET FOR THE SCHEME, ALTHOUGH MR. SWIFT, THE CHAIRMAN, INDICATED IN DISCUSSION THAT \$62 MILLION WAS A MORE REALISTIC FIGURE FOR ADDITIONAL PLEDGES.

(E) WITH REGARD TO RECOMMENDATIONS 3-7, WE GENERALLY AGREE WITH THEM AS PRESENTED IN WFC/8, ALTHOUGH THE U.S. BELIEVES THAT RECOMMENDATION 5 SHOULD INCLUDE REFERENCE TO THE PROPOSED WORK ON MEDIUM AND LONG-TERM SUPPLY/DEMAND PROJECTIONS OF THE FAO/UNIDO/WORLD BANK WORKING GROUP ON FERTILIZERS. THE COMMISSION ON FERTILIZERS RECOMMENDED THAT THE WORKING GROUP PREPARE SUCH PROJECTIONS ON A REGULAR BASIS AND ALSO DEVELOP IMPROVED METHODOLOGIES FOR MAKING REASONABLE FORECASTS. WE URGE THAT THE COUNCIL GIVE ADEQUATE CONSIDERATION TO THE ROLE OF THE FAO/UNIDO/WORLD BANK WORKING GROUP IN THIS REGARD.

3. WITH REGARD TO DESCRIPTIVE PARAGRAPHS OF WFC/8, DELEGATION MAY REFER AS NECESSARY TO TALKING POINTS AND BACKGROUND MATERIALS IN ANNEX 6(D) OF U.S. BRIEFING PAPERS. KISSINGER

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, DOCUMENTS, MEETING DELEGATIONS, FERTILIZERS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE148604
Document Source: ADS
Document Unique ID: 00
Drafter: AID/PPC/DPRE:RBERG:DKS
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750219-0382
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197506102/baaaanmw.tel
Line Count: 138
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN AID
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 26 FEB 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 FEB 2003 by PhilliR0>; APPROVED <11 MAR 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: OCON, EAGR, US, UNWFC
To: ROME
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006